

REGULATION OF BOARD OF MEMBER OF GOVERNORS
NUMBER 21/ 18 /PADG/2019
ON
IMPLEMENTATION OF NATIONAL STANDARD ON QUICK RESPONSE CODE
FOR PAYMENT

BY THE BLESSINGS OF ALMIGHTY GOD

BOARD OF MEMBER OF GOVERNORS OF BANK INDONESIA,

- Considering :
- a. that to support integration between national digital economy and finance, digitalization in payment system services need to be developed by maintaining balance between innovation with stability and sound business practice, and by ensuring national interest;
 - b. that the role of domestic retail payment system in digital economy and finance has been increasing in line with the development of technology innovations and business models supported by the public adoption of digital retail payment service through the utilization of different technologies, such as quick response code;
 - c. that to optimize the potentials of quick response code in digital economy and finance ecosystem, it is necessary for Bank Indonesia to establish a national standard on quick response code for payment in order to ensure efficiency and minimize fragmentation;
 - d. that establishment of a national standard on quick response code for payment has been in line with the national payment gateway policy aimed at achieving

smooth, secure, efficient, and reliable payment system implementation by prioritizing access expansion and considering consumer protection, as well as able to process all domestic retail payment transactions in interconnection and interoperability manner;

- e. that based on the foregoing considerations as referred to in point a, point b, point c, and point d, it is necessary to issue Regulation of Member of Board of Governors on Implementation of National Standard on Quick Response Code for Payment;

- Observing : 1. Bank Indonesia Regulation Number 18/40/PBI/2016 on Implementation of Payment Transaction Processing (State Gazette of the Republic of Indonesia of 2016 Number 236, Supplement to State Gazette of the Republic of Indonesia Number 5945);
2. Bank Indonesia Regulation Number 19/8/PBI/2017 on National Payment Gateway (State Gazette of the Republic of Indonesia of 2017 Number 134, Supplement to State Gazette of the Republic of Indonesia Number 6081);
3. Bank Indonesia Regulation Number 20/6/PBI/2018 on Electronic Money (State Gazette of the Republic of Indonesia of 2018 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 6203);

HAS DECIDED:

- To enact : REGULATION OF MEMBER OF BOARD OF GOVERNORS ON IMPLEMENTATION OF NATIONAL STANDARD ON QUICK RESPONSE CODE FOR PAYMENT.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regulation:

- 1. National Payment Gateway, hereinafter abbreviated to

NPG, means a system consisting of standard, switching, and services built through a set of rules and arrangements to integrate various instruments and payment channels nationwide.

2. Standard means standardized technical and operational specification.
3. Standard Agency means an agency which prepares and manages the Standards in NPG.
4. Quick Response Code for Payment, hereinafter referred to as QR Code Payment, means a two-dimensional code consists of three square patterns at the lower left corner, upper left corner, and upper right corner, has a black module of square dots or pixels, and has capability to store alphanumeric data, characters, and symbols, used to facilitate contactless payment transactions through scanning.
5. National Standard on QR Code Payment (Quick Response Code Indonesian Standard), hereinafter referred to as QRIS, means a Standard for QR Code Payment designated by Bank Indonesia to be used for facilitating payment transactions in Indonesia.
6. QRIS Transaction means a payment transaction that facilitated by QR Code Payment based on QRIS.
7. Switching Agency means an agency which implements switching in NPG.
8. Payment System Service Provider means a bank or non-bank institution providing payment system service activities.
9. Issuer means the issuer as referred to in the provisions of Bank Indonesia on card-based payment instruments (APMK) and the provisions of Bank Indonesia on electronic money.
10. Acquirer means the acquirer as referred to in the provisions of Bank Indonesia on card-based payment instruments (APMK) and the provisions of Bank Indonesia on electronic money.
11. Merchant Aggregator means a party other than Payment

System Service Provider which acquires merchant and disburses funds from QRIS Transaction to merchant through cooperation with Payment System Service Provider.

12. National Merchant Repository, hereinafter abbreviated to NMR, means a system which has capability to administer merchant's data.
13. QRIS Merchant means a goods and/or services provider that registered in the NMR for accepting QRIS Transactions.
14. QRIS User means a party who makes payment in the QRIS Transaction.

CHAPTER II

SCOPE OF UTILIZATION OF QR CODE PAYMENT

Article 2

- (1) QR Code Payment has primarily function to display the identity of one of the parties in payment transaction processing.
- (2) In payment transaction processing, QR Code Payment is displayed by one of the parties in the transaction to be then scanned by the other party.

Article 3

- (1) QR Code Payment consists of static QR Code Payment and dynamic QR Code Payment.
- (2) The utilization modes of QR Code Payment consist of merchant presented mode and customer presented mode.

CHAPTER III

QUICK RESPONSE CODE INDONESIAN STANDARD

Article 4

- (1) QRIS as a national standard for QR Code Payment is designated by Bank Indonesia in accordance with the

provisions of Bank Indonesia on NPG.

- (2) QRIS is managed by a Standard Agency which designated by Bank Indonesia as a Standard Agency in NPG for quick response code technology.
- (3) QRIS consists of technical and operational specifications which are contained in a QRIS document.
- (4) The technical and operational specifications as referred to in paragraph (3) consist of the specifications of:
 - a. quick response code for payment;
 - b. interconnection; and
 - c. other technical and operational specifications.

Article 5

- (1) The Payment System Service Provider and another party intending to obtain a copy of the QRIS document as referred to in Article 4 paragraph (3) must submit a written application to the Standard Agency.
- (2) The Standard Agency must arrange and implement the mechanism and procedure for distribution of copies of the QRIS document as referred to in paragraph (1).
- (3) The mechanism and procedure for distribution of copies of the QRIS document arranged by the Standard Agency as referred to in paragraph (2) must be submitted to Bank Indonesia for obtaining an approval.

Article 6

- (1) QRIS is required to be used in every payment transaction in Indonesia facilitated by QR Code Payment.
- (2) The obligation as referred to in paragraph (1) applies to the utilization modes of QR Code Payment as referred to in Article 3 paragraph (2) based on QRIS designated by Bank Indonesia.

Article 7

- (1) The QRIS Transactions use sources of fund in the form of deposits and/or payment instruments in the form of debit cards, credit cards, and/or electronic money which uses a

server-based storage medium.

- (2) The usage of sources of fund and/or payment instruments as referred to in paragraph (1) is conducted based on the proposal from Standard Agency.
- (3) The proposal from Standard Agency as referred to in paragraph (2) must be submitted to Bank Indonesia for obtaining an approval.

Article 8

- (1) QRIS Transaction nominal is limited to the highest of Rp2,000,000.00 (two million rupiah) per transaction.
- (2) The Issuer may determine the daily and/or monthly cumulative nominal limit of QRIS Transactions made by each QRIS User.
- (3) The cumulative nominal limit as referred to in paragraph (2) is determined by considering risk management of the Issuer.

Article 9

- (1) Scheme and fee of QRIS Transaction processing is designated by Bank Indonesia.
- (2) In designating the scheme and fee of QRIS Transaction processing as referred to in paragraph (1), Bank Indonesia may consider recommendations from the Standard Agency.

CHAPTER IV

QRIS TRANSACTION PROCESSING

Part One

Parties to QRIS Transaction Processing

Article 10

- (1) Parties to QRIS Transaction processing consist of:
 - a. Payment System Service Provider;
 - b. Switching Agency;
 - c. Merchant Aggregator; and

- d. NMR administrator.
- (2) The Payment System Service Provider as referred to in paragraph (1) point a is Payment System Service Provider classified as front end Payment System Service Provider group.

Part Two

Payment System Service Provider

Article 11

- (1) The Payment System Service Provider as referred to in Article 10 paragraph (2) conducting QRIS Transaction processing activities is required to obtain an approval from Bank Indonesia.
- (2) To obtain the approval as referred to in paragraph (1), a Payment System Service Provider must submit a written application to Bank Indonesia by fulfilling requirements in the following aspects:
 - a. operational readiness;
 - b. system security and reliability;
 - c. implementation of risk management; and
 - d. consumer protection.
- (3) The fulfillment of requirements as referred to in paragraph (2) conducted by the Payment System Service Provider by submitting the required documents as referred to in the provisions of Bank Indonesia on implementation of payment transaction processing, accompanied by a commitment letter to implement QRIS and recommendation letter from the Standard Agency.
- (4) For any Payment System Service Provider which has participated in a user acceptance test of QRIS Transaction processing, the fulfillment of requirements as referred to in paragraph (2) is conducted through the following submissions:
 - a. result of user acceptance test of QRIS Transaction processing; and
 - b. action plan for QRIS implementation,

accompanied by a commitment letter to implement QRIS and recommendation letter from the Standard Agency.

- (5) For any Payment System Service Provider which has not participated in a user acceptance test of QRIS Transaction processing but has obtained an approval for processing a transaction facilitated by QR Code Payment, the fulfillment of requirements as referred to in paragraph (2) are conducted by submitting an action plan for QRIS implementation and commitment letter to implement QRIS, recommendation letter from the Standard Agency, and risk mitigation analysis.

Article 12

Mechanism for submission and processing of the application for approval as referred to in Article 11 paragraph (2) refers to the provisions of Bank Indonesia on implementation of payment transaction processing.

Article 13

- (1) Any party intending to obtain a license as a Payment System Service Provider as referred to in Article 10 paragraph (2) and to conduct QRIS Transaction processing activity is required to do the following:
 - a. apply for a license as a Payment System Service Provider in accordance with the provisions of Bank Indonesia on:
 1. implementation of payment transaction processing;
 2. card-based payment instruments (APMK); and/or
 3. electronic money; and
 - b. apply for an approval as referred to in Article 11 paragraph (2) and paragraph (3).
- (2) The approval as referred to in paragraph (1) point b may be submitted to Bank Indonesia simultaneously with the application for a license as referred to in paragraph (1) point a.

Part Three
Switching Agency

Article 14

- (1) The Switching Agency as referred to in Article 10 paragraph (1) point b conducting QRIS Transaction processing activities is required to obtain an approval from Bank Indonesia.
- (2) The application to obtain the approval as referred to in paragraph (1) is submitted in writing to Bank Indonesia through the following submissions:
 - a. result of user acceptance test of QRIS Transaction processing; and
 - b. a commitment letter for conducting activities of data forwarding and/or information on payment transactions between Payment System Service Provider for QRIS Transactions, accompanied by a recommendation letter from the Standard Agency.

Part Four
Merchant Aggregator

Article 15

- (1) In QRIS Transaction processing, a Payment System Service Provider may cooperate with a Merchant Aggregator as referred to in Article 10 paragraph (1) point c.
- (2) The cooperation between a Payment System Service Provider and a Merchant Aggregator as referred to in paragraph (1) is required to obtain an approval from Bank Indonesia.
- (3) The application for obtaining an approval as referred to in paragraph (2) refers to the provisions of Bank Indonesia on implementation of payment transaction processing.

- (4) In the implementation of cooperation as referred to in paragraph (1), a Payment System Service Provider is required to ensure the implementation of QRIS by a Merchant Aggregator.

Part Five

National Merchant Repository

Article 16

- (1) Function as a NMR administrator is conducted by Bank Indonesia.
- (2) If deemed necessary, with regard to implementation of the function as a NMR administrator as referred to in paragraph (1), Bank Indonesia may appoint another party to perform partially or fully of NMR administration duties.

Part Six

Obligations in QRIS Transaction Processing

Article 17

The Payment System Service Provider and Switching Agency as referred to in Article 10 paragraph (1) are required to ensure the following:

- a. all QRIS Transaction processing are conducted according to QRIS technical and operational specifications; and
- b. the fulfillment of scheme and fee of QRIS Transaction processing as designated by Bank Indonesia.

Part Seven

QRIS Utilization for Payment Transactions Using Sources of Fund Administered and/or Payment Instruments Issued outside the Territory of the Republic of Indonesia

Article 18

The Obligation in using QRIS in every payment transaction as referred to in Article 6 also applies to payment transactions in Indonesia facilitated by QR Code Payment by using sources of

fund administered and/or payment instruments issued outside the territory of the Republic of Indonesia.

Article 19

- (1) The QRIS Transaction using sources of fund and/or payment instruments as referred to in Article 18 may only be made through cooperation between a Payment System Service Provider in the form of the Issuer and/or Acquirer with a party administering the sources of fund and/or issuing the payment instruments.
- (2) The Issuer and/or Acquirer as referred to in paragraph (1) shall be a bank classified as a commercial banks classification based on business activities (BUKU) 4.

Article 20

- (1) The cooperation as referred to in Article 19 paragraph (1) is required to obtain an approval from Bank Indonesia.
- (2) To obtain the approval as referred to in paragraph (1), the Issuer and/or Acquirer must apply a written application to Bank Indonesia by fulfilling requirements in the following aspects:
 - a. legality and profile, including company profile of the prospective party whom the Issuer and/or Acquirer shall cooperate with;
 - b. competence, including experience in conducting payment system service activities of the prospective party whom the Issuer and/or Acquirer shall cooperate with;
 - c. performance, including information and/or assessment on financial condition and track record of the prospective party whom the Issuer and/or Acquirer shall cooperate with;
 - d. security and reliability of system and infrastructures, includes information and/or assessment of the security of system and infrastructures in use; and
 - e. legal, including cooperation agreement that includes

scope of cooperation, rights and obligations of each party, implementation plan, and cooperation period.

- (3) The requirements as referred to in paragraph (2) point a until point d shall be considered fulfilled by providing the grant of license and/or approval from the local authority to the party administering sources of fund and/or issuing payment instruments issued outside the territory of the Republic of Indonesia.
- (4) Besides the requirements as referred to in paragraph (2), any Payment System Service Provider and party cooperating with a Payment System Service Provider is required to ensure that settlement of payment obligations conducted in Indonesia by using rupiah.
- (5) The cooperation agreement as referred to in paragraph (2) point e must also contain:
 - a. commitment of the party administering sources of fund and/or issuing payment instruments issued outside the territory of the Republic of Indonesia to fulfill QRIS as a national standard designated by Bank Indonesia;
 - b. mechanism of acquisition and payment disbursement to a QRIS Merchant;
 - c. mechanism that guarantee fulfillment of payment obligation from the party administering sources of fund and/or issuing payment instruments outside the territory of the Republic of Indonesia to a QRIS Merchant; and
 - d. settlement of payment obligation is conducted in Indonesia by using rupiah.

CHAPTER

REPORTS AND SUPERVISION

Article 21

- (1) Bank Indonesia has an authority to request a report in relation with QRIS Transaction processing to a Payment

System Service Provider as referred to in Article 10 paragraph (1) point a and Switching Agency as referred to in Article 10 paragraph (1) point b.

- (2) Bank Indonesia also has an authority to request a report in relation with QRIS Transaction processing to a party cooperating with a Payment System Service Provider.
- (3) The mechanism of report submission as referred to in paragraph (1) shall refer to the provisions of Bank Indonesia on implementation of payment transaction processing.

Article 22

- (1) Bank Indonesia conducts supervision to Payment System Service Provider as referred to in Article 10 paragraph (1) point a and Switching Agency as referred to in Article 10 paragraph (1) point b.
- (2) If necessary, Bank Indonesia may conduct supervision in relation with QRIS Transaction processing, to a party cooperating with the Payment System Service Provider.
- (3) The supervision as referred to in paragraph (1) includes off-site supervision and on-site supervision.
- (4) In conducting the off-site supervision as referred to in paragraph (3), Bank Indonesia may request the following:
 - a. reports; and/or
 - b. documents, data, information, details, and/or explanation in relation with QRIS Transaction processing.
- (5) In conducting the on-site supervision as referred to in paragraph (3), Bank Indonesia may conduct on-site visit either periodically or incidentally when necessary.

CHAPTER VI CORRESPONDENCE

Article 23

- (1) The submission of application in the form of:

- a. application to obtain an approval by a Payment System Service Provider as referred to in Article 11 paragraph (2);
 - b. application to obtain an approval by a Switching Agency as referred to in Article 14 paragraph (2);
 - c. application to obtain an approval for cooperation by a Payment System Service Provider as referred to in Article 15 paragraph (2);
 - d. application to obtain an approval for cooperation by the Issuer and/or Acquirer as referred to in Article 20 paragraph (2); and
 - e. application to obtain an approval for cooperation between a Payment System Service Provider and a party performing the functions of a merchant aggregator as referred to in Article 27 paragraph (2),
- must be submitted to Department performing the function of payment system policy on the following address:

Departemen Kebijakan Sistem Pembayaran
Bank Indonesia
Gedung D Lantai 5
Jalan M.H. Thamrin No. 2
Jakarta 10350

(2) The documents submission in the form of:

- a. report in relation with QRIS Transaction processing by a Payment System Service Provider and Switching Agency as referred to in Article 21 paragraph (1); and
- b. report in relation with QRIS Transaction processing by a party cooperating with a Payment System Service Provider cooperate with as referred to in Article 21 paragraph (2),

must be submitted to Department performing the function of payment system supervision on the following address:

Departemen Surveilans Sistem Keuangan
Bank Indonesia
Gedung D Lantai 9
Jalan M. H. Thamrin No. 2
Jakarta 10350

- (3) In the event of change of the correspondence addresses as referred to in paragraph (1) and paragraph (2), Bank Indonesia will notify such change by letter and/or electronic means.

CHAPTER VII MECHANISM FOR SANCTION IMPOSITION

Article 24

Mechanism of sanction imposition against any breach of the obligations as referred to in this Regulation of Member of Board of Governors shall be conducted in accordance with the provisions of Bank Indonesia on:

- a. NPG;
- b. implementation of payment transaction processing; and
- c. electronic money.

CHAPTER VIII TRANSITIONAL PROVISIONS

Article 25

Any application for approval submitted by Payment System Service Provider as referred to in Article 11 paragraph (4) and paragraph (5) prior to the enforcement of this Regulation will be processed in a specific manner determined by Bank Indonesia.

Article 26

Any party which has used QR Code Payment with the utilization modes as referred to in Article 6 paragraph (2) prior to enforcement of this Regulation is required to adjust its QR Code Payment with QRIS not later than 31 December 2019.

Article 27

- (1) The cooperation between the Payment System Service Provider as referred to in Article 11 paragraph (4) and paragraph (5) and a party performing the functions of

merchant aggregator prior to the enforcement of this Regulation of Members of Board of Governors, will be construed as cooperation between a Payment System Service Provider and Merchant Aggregator as referred to in Article 15.

- (2) Payment System Service Provider is required to submit an application for approval of cooperation as referred to in paragraph (1) to Bank Indonesia not later than 31 December 2019.
- (3) The application for approval as referred to in paragraph (2) shall be accompanied by the following documents:
 - a. profile of a party performing the functions of merchant aggregator;
 - b. performance of a party performing the functions of merchant aggregator; and
 - c. cooperation agreement between a Payment System Service Provider and a party performing the functions of merchant aggregator.
- (4) The application for approval as referred to in paragraph (2) will be processed in a specific manner determined by Bank Indonesia.

CHAPTER IX
CLOSING PROVISIONS

Article 28

This Regulation of Members of Board of Governors comes into force from its promulgation date.

In order that every person may know here of, it is ordered to promulgated this Regulation of Members of Board of Governors by its placement in State Gazette of the Republic of Indonesia.

Issued in Jakarta
On 16 August 2019

MEMBER OF BOARD OF GOVERNORS,

SIGNED

SUGENG

ELUCIDATION
OF
REGULATION OF MEMBER OF BOARD OF GOVERNORS OF BANK INDONESIA
NUMBER 21/18/PADG/2019
ON
IMPLEMENTATION OF NATIONAL STANDARD ON QUICK RESPONSE
CODE FOR PAYMENT

I. GENERAL

To support development of digital economy and finance, national payment system in the future must be able to accommodate development of technology innovations while still observing policy effectiveness and monetary stability, financial system stability, and smooth payment system. Therefore, the policy of Bank Indonesia on payment system is directed to:

1. reinforces the integration of national digital economy and finance in assuring the proper functioning of central bank mandate in money circulation, monetary policy, and financial system stability as well as financial inclusion;
2. fosters digital transformation within the banking industry to sustain banks role as a primer institution in the digital economy and finance through the implementation of open-banking standard as well the deployment of digital technology and data on their financial product and services;
3. assures interlink between financial technology and banks to contain the escalation of shadow-banking risk through the regulation of the use of digital technology, business relation, and business ownership;

4. strikes the balance among innovations, consumers protection, integrity, and stability as well as fair competition through the implementation of Know Your Customer (KYC), anti-money laundering and countering the financing of terrorism, data and information openness, and the deployment of regulatory technology and supervisory technology for reporting, regulation, and supervisory; and
5. safeguards national interest on cross-border use of digital economy and finance through the obligation of domestic processing for all onshore transactions and domestic partnership for all foreign players under the consideration of reciprocity principle.

Development of information technology innovations carries a significant role in implementation of payment system service. Rapid industrial development and increasing adoption of smart phones by people in Indonesia have encouraged technological and financial companies to utilize technology as a means of payment. It makes mobile payment service in smart phones become a new means of payment to the people. Currently, one of the rapid development of technology used in mobile payment is quick response code or also known as QR code.

Payments using QR code have some advantages, among others are QR code can contain numerous payment information despite its small size, they can correct errors, payments become more efficient because they can use the existing infrastructures and means of payment, they expand financial and payment access, and they give alternative means of payment for the people. However, with the increasing number of Payment System Service Provider in Indonesia, each Payment System Service Provider tends to prepare their own standard and infrastructure. It may result in inefficiency and fragmentation in the entire payment system.

Therefore, Bank Indonesia has established a National Standard on QR Code for Payment (QRIS) which is required to be used in each payment transaction facilitated by QR Code Payment. Because the implementation of payment transaction processing using QR Code Payment involves various parties, further regulation on QRIS implementation is necessary. It aims to ensure effectiveness and efficiency of the implementation of payment system service facilitated by QR Code Payment in Indonesia and ensure the clarity of roles and responsibilities of parties on payment transaction processing by using QR Code Payment. Strict regulations are required to ensure the

creation of level playing field among Payment System Service Providers in line with the effort to maintain fair business competition.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Paragraph (1)

Included the parties in payment transaction processing are user and merchant.

Paragraph (2)

QR Code Payment may be displayed in the form of papers, stickers, or virtually through gadget monitors.

QR Code Payment may be scanned among others through mobile application in gadgets or points of sales device.

Article 3

Paragraph (1)

Static QR Code Payment and dynamic QR Code Payment are distinguished based on the issuance mechanism.

The term “static QR Code Payment” means the QR Code Payment that generated prior to initiation of transactions and may be scanned repeatedly to facilitate different payment transactions. A static QR Code Payment generally only contains information on merchant’s identity.

The term “dynamic QR Code Payment” means QR Code Payment that generated once a certain transaction is about to be initiated and scanned to facilitate one certain transaction. A dynamic QR Code Payment generally contains information on merchant’s or user’s identity and information on the certain transaction, such as nominal of transaction.

Paragraph (2)

The term “merchant presented mode” means a utilization method of QR Code Payment where a merchant displays a QR Code Payment to be scanned by a user.

The term “customer presented mode” means a utilization method of QR Code Payment where a user displays a QR Code Payment to be scanned by a merchant.

Article 4

Sufficiently clear.

Article 5

Paragraph (1)

Included as another party is the party who is in the process of obtaining license as an Issuer and/or Acquirer.

Paragraph (2)

Distribution of copies of QRIS document is conducted in the process of application for a license as a Payment System Service Provider who will conduct QRIS Transaction processing activities or in the process of application for an approval for a Payment System Service Provider who will conduct QRIS Transaction processing activities.

Paragraph (3)

Sufficiently clear.

Article 6

Paragraph (1)

The obligation to utilize QRIS constitutes part of an obligation to comply with and implement the Standard as referred to in the provisions of Bank Indonesia on NPG.

Included as payment transaction is a transaction whereby one of the parties is a merchant.

Paragraph (2)

Sufficiently clear.

Article 7

Paragraph (1)

The utilization of sources of fund and/or payment instruments may be conducted through utilization of technology and/or electronic services which allow data storage of sources of fund and/or payment instruments, such as proprietary channel and

electronic wallets.

Paragraph (2)

Proposal from the Standard Agency may be in the form of proposal for utilization of sources of fund and/or payment instruments gradually.

Paragraph (3)

Sufficiently clear.

Article 8

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

The determination of cumulative nominal limit must observe the limit applicable to sources of fund and/or payment instruments, such as the maximum limit of electronic money transaction value in 1 (one) month as referred to in the provisions of Bank Indonesia on electronic money.

Article 9

Paragraph (1)

An example of fee scheme is merchant discount rate.

Paragraph (2)

Sufficiently clear.

Article 10

Paragraph (1)

Point a

In QRIS Transaction processing, a Payment System Service Provider among others has the following duties:

1. receive orders of QRIS Transaction initiation from a QRIS User or QRIS Merchant;
2. ensure fund adequacy of QRIS Users and send notifications to QRIS Users; and/or

3. send notifications and disburse fund from QRIS Transaction payments to QRIS Merchants.

Point b

In QRIS Transaction processing, a Switching Agency has a duty for conducting activities of data forwarding and/or information on QRIS Transactions between Payment System Service Provider. In data forwarding and/or information on QRIS Transactions between Payment System Service Provider, a Switching Agency can utilize interconnection with another Switching Agency.

Point c

In QRIS Transaction processing, a Merchant Aggregator has a duty to disburse fund from QRIS Transaction payment from a Payment System Service Provider to a QRIS Merchant. Besides of that, a Merchant Aggregator may also conduct acquisition of a QRIS Merchant.

The scope of aforementioned duties and activities differ from the functions of a merchant aggregator that implemented by a payment gateway operator as referred to in the provisions of Bank Indonesia on implementation of payment transaction processing, including data forwarding on payment transactions and payment settlements.

Point d

In QRIS Transaction processing, an NMR administrator has the following duties:

1. administer data on QRIS Merchant's identity throughout Indonesia;
2. generate static QRIS to be used in QRIS Merchants; and
3. maintain fair competition among Payment System Service Provider including preventing exclusivity of QRIS Merchants.

Paragraph (2)

Classification of front end Payment System Service Provider refers to the classification of Payment System Service Provider as referred to in the provisions of Bank Indonesia on electronic money. Examples of Payment System Service Provider in front end Payment System Service Provider group are Issuer and Acquirer.

Article 11

Paragraph (1)

The approval applied is an approval for development of products and activities of payment system service as referred to in the provisions of Bank Indonesia on implementation of payment transaction processing.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

The commitment letter to implement QRIS shall at least contain a statement and commitment to implement QRIS and comply with the provisions of Bank Indonesia on QRIS implementation.

The recommendation letter from the Standard Agency shall at least contain recommendation that the Payment System Service Provider is proven to have the capability to process QRIS Transactions according to the technical and operational specifications designated in QRIS and scope of sources of fund and/or payment instruments which may be used.

Paragraph (4)

The term “ user acceptance test of QRIS Transaction processing” means user acceptance test of QRIS feasibility conducted by the Standard Agency for QRIS arrangement.

Point a

Result from user acceptance test of QRIS Transaction processing shall at least contain:

1. summary of user acceptance test result;
2. description of user acceptance test; and
3. risks and mitigation.

Point b

Action plan for QRIS implementation shall at least contain the target time to complete:

1. migration from proprietary QR Code Payment to QRIS (if any);
2. arrangement of standard operating procedure for QRIS implementation;

3. adjustment to application and system; and
4. dissemination to users.

Paragraph (5)

The term “approval to process transactions facilitated by QR Code Payment” means an approval granted by Bank Indonesia prior to designation of QRIS.

Action plan for QRIS implementation shall at least contain the target time to complete:

- a. migration from proprietary QR Code Payment to QRIS;
- b. arrangement of standard operating procedure for QRIS implementation;
- c. adjustment to application and system; and
- d. dissemination to users.

Risk mitigation analysis shall at least contain identification of risks which may arise and efforts to mitigate the risks.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Paragraph (1)

Sufficiently clear.

Paragraph (2)

The term “user acceptance test of QRIS Transaction processing ” means user acceptance test of QRIS feasibility conducted by the Standard Agency for QRIS arrangement.

Article 15

Paragraph (1)

Sufficiently clear.

Paragraph (2)

The approval applied constitutes an approval to cooperate with a supporting provider.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Implementation of QRIS among others fund disbursement to QRIS Merchant.

Article 16

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Included as NMR administration duties is to administer data on QRIS Merchant's identity throughout Indonesia.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

The term "license and/or approval of the local authority" among others include business license in relation with activities of payment system services or approval/recommendation from the local authority for the planning of cooperation.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Mechanism that guarantee fulfillment of payment obligation from the party administering sources of fund and/or issuing payment instruments outside the territory of the Republic of Indonesia to a QRIS Merchant, among others prefund deposit in commercial banks in Indonesia.

Point d

Sufficiently clear.

Article 21

Paragraph (1)

Sufficiently clear.

Paragraph (2)

The term “parties cooperating with Payment System Service Provider” among others Merchant Aggregator and parties administering sources of fund and/or issuing payment instruments outside the territory of the Republic of Indonesia.

Paragraph (3)

Sufficiently clear.

Article 22

Sufficiently clear.

Article 23

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Processing in a specific manner is conducted among others through review of documents.

Article 26

Sufficiently clear.

Article 27

The term “party performing the functions of *merchant aggregator*” means a party other than Payment System Service Provider which acquires merchants and disburses transaction funds facilitated by QR Code Payment to the merchants, through cooperation with Payment System Service Provider.

Article 28

Sufficiently clear.